

DESOTO COUNTY BOARD OF SUPERVISORS

BOARD MEETING MINUTES

EUGENE THACH, PRESIDENT 2003 PRESIDING

January 20, 2004

A. CALL TO ORDER

The January 20, 2004, meeting of the DeSoto County Board of Supervisors was called to order by Supervisor Eugene Thach, Board President.

Chief Deputy Charlie Brown of the DeSoto County Sheriff's Department was present and did open the DeSoto County Board of Supervisors meeting in a regular session to hear any and all business to come before the Board. The following were present:

Supervisor Jessie Medlin-----District 1
Supervisor Eugene C. Thach-----District 2
Supervisor Bill Russell-----District 3
Supervisor Allen Latimer-----District 4
Supervisor Tommy Lewis-----District 5
W. E. Sluggo Davis-----Chancery Clerk
David Armstrong-----County Administrator
Tony Nowak-----Board Attorney

B. INVOCATION

Supervisor Bill Russell presented the invocation.

C. PLEDGE OF ALLEGIANCE

D. OLD BUSINESS

1. Appointments –

a. Summershill Fire District

Supervisor Eugene Thach made the motion and Supervisor Jessie Medlin seconded the motion to appoint Sonny Barkley of 6460 Northwood Cove, Olive Branch, MS, 895-3446, as a Commissioners of the Summershill Fire Protection District to serve for a term set to expire January 3, 2009. The motion passed by a unanimous vote.

b. Handicap Compliance Grievance Committee – District 1 & 2

Supervisor Eugene Thach made the motion and Supervisor Jessie Medlin seconded the motion to appoint Pat Sylvester as the District 2 Appointee to the Handicap Compliance Grievance Committee for a term set to expire January 3, 2005. The motion passed by a unanimous vote.

The appointment for District 1 was held over until February 2, 2004.

c. Park Commission District 4

This appointment was held over until February 2, 2004.

d. Planning Commission District 3

Supervisor Bill Russell made the motion and Supervisor Jessie Medlin seconded the motion to appoint Leigh Graves 12770 Star Landing Rd., Lake Cormorant, MS, 38641, 662-781-1868 as the District 3 Appointee to the DeSoto County Planning Commission. The motion passed by a unanimous vote.

e. Tax Advisory Committee (NB)

At the recommendation of Jim Flanagan, Supervisor Jessie Medlin made the motion and Supervisor Bill Russell seconded the motion to approve the Appointees to the Tax Advisory List as follows:

Name	Organization Name	Address
Charles Burnett	Bancorp South	P.O. Box 807 Olive Branch, MS 38654
Tony Nowak	Chamberlin & Nowak Law Office	P. O. Box 567 Hernando, MS 38632
Mayor Sam Rikard	City of Olive Branch	9189 Pigeon Roost Ave. Olive Branch, MS 38654
Anna Williams	DeSoto County Tax Assessor's Office	365 Loshier St., Ste. 100 Hernando, MS 38632
David Armstrong	DeSoto County Administrator	365 Loshier St., Ste. 300 Hernando, MS 38632
Sluggo Davis	DeSoto County Chancery Clerk	2535 Hwy 51 South Hernando, MS 38632
Parker Pickle	DeSoto County Tax Assessor	365 Loshier St., Ste. 100 Hernando, MS 38632
Vanessa Lynchard	Director of Administrative Services	365 Loshier St., Ste. 300 Hernando, MS 38632
Henry Ware	Southaven Pontiac Buick GMC	78 Goodman Rd. Southaven, MS 38671
Harold Nichols	Nichols Glass Co.	P.O. Box 183 Olive Branch, MS 38654
Karen Cummins	Mississippi Valley Gas	5249 Pepper Chase Dr. Southaven, MS 38671

With a term set to expire January 3, 2005. The motion passed by a unanimous vote.

f. Massage Parlor, District 1, 2, 5

Supervisor Jessie Medlin made the motion and Supervisor Allen Latimer seconded the motion to reappoint William Bowen as the District 1 Appointee to the Massage Parlor Commission and to reappoint Vaudie Emerson as the District 2 Appointee to the Massage Parlor Commission, with a term set to expire January 8, 2009. The motion passed by a unanimous vote.

The District 5 Appointee to the Massage Parlor Commission was held over until February 2, 2004.

g. Horn Lake Creek Interceptor Sewer, District 3

Supervisor Bill Russell made the motion and Supervisor Jessie Medlin seconded the motion to appoint Max Rush, 7440 Eastover Dr. Horn Lake, MS, 38637, 662-781-1435 as the District 3 Appointee to the Horn Lake Creek Interceptor Sewer with a term set to expire May 5, 2008. The motion passed by a unanimous vote.

h. Making the Village of Memphis' Appointment to DCRUA Part of the Minutes

Supervisor Jessie Medlin made the motion and Supervisor Bill Russell seconded the motion to make the Village of Memphis' Appointment of Ray Denison to the DeSoto County Regional Utility Authority a part of the minutes with a term set to expire January 6, 2009. The motion passed by a unanimous vote.

E. NEW BUSINESS

1. Hernando High School DECA – Request to Advertise County Resources, Jackie Ferri

Supervisor Tommy Lewis introduced Jackie Ferri from Hernando High School's Chapter of DECA. Ms. Ferri said she is before the Board to represent Hernando High School's DECA Chapter and the State of Mississippi as the State President of DECA. Ms. Ferri said the purpose of DECA is to prepare high school students as they go into the business world. Ms. Ferri said that the State Conference for DECA is coming up in February. At that conference different schools in the State go to Jackson and compete for a chance to go to the National DECA Conference.

Ms. Ferri said she would like to ask the Board of Supervisors for help to fund the DECA competition. Ms. Ferri said that there were two ways for the Board to consider assisting DECA. One was as a State Sponsor. Ms. Ferri said that each event at DECA costs \$175 and the Board of Supervisors may consider sponsoring one of the events. Secondly, the Board of Supervisors may consider sponsoring the Hernando High School Chapter to attend the conference. Ms. Ferri explained that the Regional Conference was held at the Civic Center and local sponsorships were not enough to cover the cost of the event. The local Chapter had to cover the excess cost, therefore their funding is inadequate at the present time. Ms. Ferri said the cost to attend the Conference is \$105 for each student.

Supervisor Jessie Medlin asked if Ms. Ferri is speaking for all of DeSoto County schools or just Hernando. Ms. Ferri said that she is speaking for the Hernando Chapter and the State Organization.

Supervisor Tommy Lewis asked if the other high schools would be asking for similar sponsorship. Ms. Ferri said she thinks Olive Branch already has their own sponsors and she does not expect them to ask for help for the State Conference.

The Board of Supervisors determined that the State Convention would be an ideal opportunity to advertise the resources and possibilities of DeSoto County and thereby advance the moral, financial, and other interests of DeSoto County. Therefore, Supervisor Tommy Lewis made the motion and Supervisor Jessie Medlin seconded the motion to donate \$175 to the Hernando High School Chapter of DECA in accordance with Section 17-3-3 of the Mississippi Code of 1972. The motion passed by a unanimous vote.

2. Accounting

a. Supplemental Claims Docket

Comptroller Tom Arnold presented the Claims Docket showing claims that need to be paid for various departments as of January 20, 2004.

The 301 Ballpark bill accumulated for a couple of years. The bill was never paid and the fee was turned over to a collection agency. Supervisor Russell said the County definitely received the services. The Board of Supervisors asked the

Board Attorney about their authority to pay the expense. Mr. Nowak said he should look into the matter further to determine whether the Board has authority to incur this debt or if different steps need to be taken to handle the issue. This particular claim was held over until February 2, 2004.

County Administrator David Armstrong reported to the Board of Supervisors that the Health, Dental and Medical Insurance Coverage is up at the end of February. Mr. Armstrong said that he will be presenting new proposals to the Board of Supervisors February 4, 2004.

Supervisor Allen Latimer excused himself from the meeting and from the further discussion about the Claims Docket.

Supervisor Jessie Medlin made the motion and Supervisor Tommy Lewis seconded the motion to authorize the Chancery Clerk to pay the bills as presented by the Comptroller, except for the bill to Vengroff, Williams & Associates for the 301 Ballpark. The motion passed by a vote as follows:

Supervisor Jessie Medlin-----YES
Supervisor Eugene Thach-----YES
Supervisor Bill Russell-----YES
Supervisor Allen Latimer-----ABSENT
Supervisor Tommy Lewis-----YES

b. Interfund Transfer

At the recommendation of the Comptroller Tom Arnold, Supervisor Jessie Medlin made the motion and Supervisor Tommy Lewis seconded the motion to authorize and instruct the Chancery Clerk pursuant to Section 41-29-185 of the Mississippi Code of 1972 as amended to transfer the following forfeited funds that were seized by Metro Narcotics:

Case No.	Defendant	Date Delivered to Accounting	County Receipt #	Amount
C02003-0358	Jose Saenz	January 13, 2004	14535	\$956.00
Transferred From:	Metro Seized Fund		123-900-951	\$965.00
Transferred To:	Metro Forfeitures Fund		123-000-387	\$965.00

The motion passed by a unanimous vote.

See Exhibit E.2.b

c. Investment of Funds

In accordance with Section 19-2-29 of the Mississippi Code, which states that whenever any county shall have on hand any bond and interest funds, any funds derived from the sale of bonds, special funds, or any other funds in excess of the sums which will be required to meet the current needs and demands of no more than seven (7) business days, the Board of Supervisors of such county shall invest such excess funds.

At the recommendation of the Comptroller, Tom Arnold, Supervisor Tommy Lewis made the motion and Supervisor Jessie Medlin seconded the motion to approve the investment of surplus funds to Peoples Bank & Trust, who was the high bidder that placed their bid on time for funds as follows:

Date of Investment	Bank	Amount	Maturity Date	# of Days	Interest Rate	CD#
01/09/2004	Peoples Bank & Trust	\$2,100,000.00	03/12/2004	63	1.9	2192640119

The motion passed by a unanimous vote.

See Exhibit E.2.c

d. Property Tax Reappraisal

County Administrator David Armstrong addressed the Board of Supervisors regarding the property tax reappraisal. Mr. Armstrong said the assessed valuation in a County can be difficult to explain. Mr. Armstrong said because everyone in the meeting has had phone calls from County taxpayers regarding the increase in their tax assessment he felt it important to address the issue to the Board of Supervisors. Mr. Armstrong said there are five classes of taxes in the County.

1. Homestead Residential	10%
2. Business Property	15%
3. Business Personal Property	15%
4. Public Utilities	30%
5. Motor Vehicles	30%

Mr. Armstrong said the average tax increase was about 22% across the board.

Mr. Armstrong explained that not all states use a mill to determine their tax levy. Some states use a percentage.

Mr. Armstrong thanked Sam Russell for putting together the PowerPoint presentation for this meeting.

Mr. Armstrong explained that the Board levied 86.78 mills Countywide. Mr. Armstrong reminded the Board that they lowered millage in the FY04 budget. Mr. Armstrong commended the Board that the last time DeSoto County had a millage increase was the year 1992-1993. Mr. Armstrong said that is an incredible accomplishment, especially considering the amount of projects the County has completed.

Mr. Armstrong thanked the Comptroller, Tom Arnold, for assembling the information for this meeting.

Mr. Armstrong explained that, by law, Counties are capped at a 10% increase over the amount collected the previous year. By contrast, he explained that schools are capped at 4%, however they can increase up to 7% if they advertise the increase.

Mr. Armstrong presented a list of tax levies that are subject to the cap of 10%. Mr. Armstrong said last year the County collected \$23,802,299.78. Mr. Armstrong said that half of the Homestead collected goes to the schools, but last year the County's half of the Homestead collection was \$1,363,208.14. Under those numbers, our 10% cap would be \$2,380,229.98 plus about 6% growth of \$1,428,137.99. Mr. Armstrong said the County was allowed \$28,973,875.89, but only projected \$27,161,210. Mr. Armstrong said the County projected only \$1,200,000 in Homestead reimbursement. Therefore, the County was under the cap by \$612,665.89. The Board of Supervisors gave one mill back to the taxpayers.

Bill Bryant explained that each millage line on the tax levy sheet brings in a different amount of money and adjustments have to be made.

Mr. Armstrong said that the County always under budgets revenue and over budgets expenses. Mr. Armstrong said that for FY04 the total revenues were projected to be up \$3,254,279.80, and the total expenses are projected to be up \$4,021,055 over last year. Mr. Armstrong explained the increase in expenses and

submitted a list for the Board to review that defined the additional money and what it was used for in the new budget.

Mr. Armstrong said there are two kinds of Homestead credit. First, is regular Homestead under 65 with no disabilities. Mr. Armstrong said that Homestead has been increased \$60. Mr. Armstrong explained that \$60 does not seem like a tremendous increase, but when you multiply that increase by the number of Homesteads, the number is substantial. Secondly, Mr. Armstrong explained there is a special Homestead for over 65 or for people with disability. Mr. Armstrong explained that this was raised \$1500.

Mr. Armstrong explained that there are 54,383 parcels of land in DeSoto County. He said there are 32,334 are Homestead. Mr. Armstrong explained that 32,334 parcels at 75% equals 24,250 times (x) \$60 equals (=) \$1,455,000. Mr. Armstrong explained that this money would be less if the house is valued at less than \$75,000.

Mr. Armstrong explained that there are 8,084 parcels with a Homestead of \$1500. Mr. Armstrong explained that the good news about this tax change is the money goes back to the people.

Mr. Armstrong explained that 22% of the assessed value less (-) Homestead credit equals (=) the true taxes the County collects.

Demery Grubbs verified that the \$60 and the \$1500 is a credit from the State and that money goes back to the taxpayers.

Mr. Armstrong went on to explain that the State is supposed to give the County \$100 per application. But, the County gets about \$87 per application. Mr. Armstrong explained that the State suggested at a Statewide County meeting that the County only planned on receiving \$75 per application. Mr. Armstrong said that the Counties are being short changed by the State \$420,342. Mr. Armstrong said the Counties are losing Homestead credit and we are losing money we should be getting back from the State. Mr. Armstrong explained that this loss adds up to about \$3 million a year.

Mr. Armstrong presented a comparison of taxes for seven different unnamed taxpayers. Mr. Armstrong explained that "true value" is what the Tax Assessor puts on the property. This is different from "market value."

Mr. Armstrong commended the Board of Supervisors for doing a great job at controlling millage and working on the money the County has.

Demery Grubbs said that all Government entities have trouble explaining what they do with their money. Mr. Grubbs said the general public does not understand all the services the County provides and how much money it takes to do so.

Supervisor Bill Russell said he appreciates the County Administrator making this presentation. Supervisor Russell asked if the County is going to break the taxes down on the tax bills in the future. He also asked when the ad will be in the newspaper explaining the tax structure. Mr. Armstrong said the Tax Collector has said he will break the tax bills down next year.

Demery Grubbs suggested using a pie chart to show where taxes go.

Mr. Armstrong explained that the County has not done a reassessment in 14 years. Therefore, the increase in value hit everyone harder than it would have otherwise.

Supervisor Tommy Lewis said the County Administrator's presentation was excellent. Supervisor Lewis said that when you explain this to an individual you have to have something to compare. Supervisor Lewis said we need to tell the public where these increases are and what they went for.

See Exhibit E.2.d

3. Purchasing –

a. Approval to Bid

(1) Annual Supplies – Feb 9, 2004

(2) Video Surveillance Olive Branch Library

Supervisor Jessie Medlin made the motion and Supervisor Tommy Lewis seconded the motion to approve going out to bid for Annual Supplies and for Video Surveillance Equipment at the Olive Branch Library. The motion passed by a unanimous vote.

See Exhibit E.3.a

b. Approval to Open Bids

(1) Pest Control in County Buildings – Feb. 11, 2004

(2) Lawn Service at County Buildings – Feb. 10, 2004

(3) Bids for Depository - February 4, 2004

Supervisor Tommy Lewis made the motion and Supervisor Jessie Medlin seconded the motion to authorize the County Administrator to open bids as follows:

1. Pest Control in County Buildings – Feb. 11, 2004
2. Lawn Service at County Buildings – Feb. 10, 2004
3. Bids for Depository - February 4, 2004

The motion passed by a unanimous vote.

See Exhibit E.3.b

c. Approval to Reject Bids

(1) Single Axle Dump Truck

(2) 17 cy Dump Truck

Road Manager Russell Dorris said the bids received on the Single Axle Dump Truck and the 17 cubic yard Dump Truck were so convoluted it would be better to reject the bids and rebid the equipment. Mr. Dorris said in addition one of the bids had an error on it that effected the outcome of the bid.

At the recommendation of the Purchase Clerk and Road Manager, Supervisor Jessie Medlin made the motion and Supervisor Tommy Lewis seconded the motion to approve rejecting bids for the Single Axle Dump Truck, Bid File #04-156-003 and the 17 cubic yard Dump Truck. Bid File # 04-156-002. The motion passed by a unanimous vote.

Supervisor Jessie Medlin made the motion and Supervisor Allen Latimer seconded the motion to authorize going out for bid for one or more Single Axle Dump Trucks and one or more 17 cubic yard Dump Trucks. The motion passed by a unanimous vote.

See Exhibit E.3.c

4. Tax Exemptions

Jim Flanagan, Director of DeSoto County Economic Development Council, appeared before the Board of Supervisors with the Representatives from various companies to request approval for Tax Exemptions after first having received a recommendation from the Tax Advisory Committee.

a. The Neverleak Company – 10 Yr. Real

Nick Reeves of the Neverleak Company said they originally moved to Olive Branch four years ago. Mr. Reeves said the addition is about 50% of the original building.

Mr. Reeves said they have completed the addition and are waiting for some equipment to make the addition operational. Mr. Reeves said they have already hired someone to operate the software system. Mr. Reeves said they will have new people after the software is operational. He said they will probably hire three additional people with this addition.

Mr. Reeves said the Neverleak Company manufactures roof flashings.

Supervisor Eugene Thach asked the average salary. Mr. Reeves said \$10.50 to \$10.75 per hour.

Supervisor Bill Russell asked if approval of the exemption is based on the number of people. Jim Flanagan said no. The County does not have a formula or matrix the company has to meet for tax exemption approval. Instead, the County looks carefully at the wage scale the company offers. Supervisor Russell said he felt it was important to keep companies like Neverleak in DeSoto County. Mr. Flanagan said sometimes improvements, such as the one from Neverleak, keep companies competitive and saves current jobs.

Supervisor Jessie Medlin made the motion and Supervisor Tommy Lewis seconded the motion to approve a 10-Year Exemption on Real Property for the Neverleak Company. The motion passed by a unanimous vote.

See Exhibit E.4.a

b. American Container - 10 Yr. Real & Personal and Freeport

Steve and Mary Harris of the American Container appeared before the Board of Supervisors to request a tax exemption. Mr. Flanagan said that American Container has done a good job of renovating their new building. Mr. Harris said American Container has been in business in Memphis for over 12 years. He said they decided to move to DeSoto County for a better labor pool. Mr. Harris explained that American Container manufactures boxes. He said they have their own trucks and trailers for their business. Mr. Harris said their sales are about \$9 million a year. They employ about 50 people. Mr. Harris said that the labor pool in DeSoto County is much better than the labor pool in Memphis. Mr. Harris explained that NAFTA makes it tougher and tougher for businesses to compete.

Supervisor Bill Russell asked if most of the employees of American Container live in DeSoto County. Mr. Harris said about 30%, but reminded Supervisor Russell that the company just recently moved from Memphis.

Supervisor Russell asked where American Container was located in Memphis. Mr. Harris said it was located on Lamar.

Supervisor Jessie Medlin made the motion and Supervisor Bill Russell seconded the

motion to approve a 10-Year Exemption on Real and Personal Property Exemption and Freeport Exemption for American Container, Inc. The motion passed by a unanimous vote.

See Exhibit E.4.b

c. Helen of Troy – 10 Yr. Real & Personal and Freeport

Jim Flanagan, Director of DeSoto County Economic Development Council, presented the application for Helen of Troy to receive the Tax Exemption. Mr. Flanagan explained that Helen of Troy is one of the newest distribution centers on Airways and Stateline in Southaven. Mr. Flanagan said Helen of Troy is an El Paso based company. They are distributors of hair care appliances and the request represents a \$17,117,766 capital investment.

Supervisor Eugene Thach made the motion and Supervisor Jessie Medlin seconded the motion to approve a 10-Year Exemption on Real and Personal Property and Freeport Warehouse Exemption for Helen of Troy. The motion passed by a unanimous vote.

See Exhibit E.4.c

d. Associated Wholesale Grocers – Freeport

Jim Flanagan, Director of DeSoto County Economic Development Council, said Associated Wholesale Grocers bought out Fleming and are asking for the Freeport Exemption that Fleming enjoyed. Mr. Ken Twiss said that Associated Wholesale is located in Southaven, on Burbank in Memphis and in Nashville. He said that all the other Fleming locations are closed and those are the only three left. Mr. Twiss said that 20-25% of their revenue they think will be in the State of Mississippi. Mr. Twiss said they have gone from 100 plus to 250 plus employees in this location, plus they have contract employees. Mr. Twiss said the majority of the employees at Associated Wholesale Grocers are from DeSoto County.

Mr. Twiss said on August 3, 2003, they were at \$125,000 in sales and now they are just over \$4 million, but need to be between \$6 to \$6.5 million. Supervisor Bill Russell said the County really appreciates Associated Wholesale Grocers staying in DeSoto County. Supervisor Russell said many DeSoto Countians are employed by Associated Wholesale Grocers.

Supervisor Medlin asked who their company services. Mr. Twiss said they service Gordon's, Piggly Wiggly, Save-a-Lot and others.

Supervisor Bill Russell made the motion and Supervisor Jessie Medlin seconded the motion to approve a Freeport Warehouse Exemption for Associated Wholesale Grocers. The motion passed by a unanimous vote.

See Exhibit E.4.d

e. Emerson Electric – Freeport

f. Liebert Corporation – Freeport

g. Emerson Motor Company – Freeport

Jim Adams of Emerson Electric appeared before the Board of Supervisors to discuss a request for a Freeport Exemption from Emerson Electric, Emerson Motor Company and the Liebert Corporation. Mr. Adams said that they were in Memphis but moved to DeSoto County from Winchester to a location near the Civic Center. Mr. Adams said the company is in the process of locating different divisions in one location to increase productivity.

Supervisor Eugene Thach asked the average salary. Mr. Adams said \$12.30 an hour.

Supervisor Jessie Medlin made the motion and Supervisor Eugene Thach seconded the motion to approve a Freeport Warehouse Exemption for Emerson Electric, Emerson Motor Company and the Liebert Corporation. The motion passed by a unanimous vote.

See Exhibit E.4.e,f,g

h. USUI International Corporation – 10 Yr. Real & Personal and Freeport

Mark Aquadro and Benny Fisher appeared before the Board of Supervisors regarding a request for a Tax Exemption for USUI. Mr. Aquadro explained that USUI is a manufacturing facility that makes automobile parts. Mr. Aquadro said that they are now at 100 jobs. They have about 40,000 square feet currently in their building.

Benny Fisher of USUI said that they started producing on October 6, 2003. He said they started with 39 employees and are now up to 100. He said they are looking for additional space in the industrial park. Mr. Flanagan said he would encourage each of the Board Members to visit USUI. He said they have a fascinating process.

Supervisor Bill Russell asked what sold USUI on DeSoto County when most of their parts were manufactured in Louisiana. Mr. Fisher said several different factors lead to the relocation to DeSoto County, including the opportunity for tax incentives.

Supervisor Eugene Thach asked the average salary. Mr. Fisher \$8.50 per hour plus the incentives.

Supervisor Jessie Medlin made the motion and Supervisor Bill Russell seconded the motion to approve a 10-Year Real and Personal Tax Exemption and a Freeport Warehouse Exemption for USUI. The motion passed by a unanimous vote.

See Exhibit E.4.h

5. Capital Improvements Plan – Demery Grubbs

County Administrator David Armstrong said there are a significant amount of Capital Improvement possibilities in DeSoto County. Mr. Armstrong said that, at the Board's request, Demery Grubbs has prepared a list of Capital Improvement Projects.

Mr. Grubbs presented a summary of the County's debt. He said this list is the General Obligation Debt for DeSoto County.

County Administrator David Armstrong said the County assesses millage every year to pay interest on GO bonds. Mr. Grubbs said GO is outside of the 10% growth cap that limits the County. Mr. Grubbs said the last entry on the Tax Levy Sheet is the \$10 million State Development Bank money the County recently locked in. Mr. Grubbs said page 2 is an assessment on the books. He said included in these assessments, is the Walls Sewer District. He said under special assessments like the Walls Sewer District everyone in the District must pay for the improvement who uses the improvement.

Mr. Grubbs pointed out the 1997 and 2000 Civic Center debt on the Levy Sheet. Mr. Grubbs reminded the Board that this is paid with the 2% Tax Collection, but it comes in and out of the Supervisor's budget. Mr. Grubbs said the last entry on the 2nd page of his handout is the second State Development Bank Pool. He said the County does

not pay anything until they start drawing interest. He said right now the County is paying 2.3% interest on the money they have drawn so far.

Mr. Grubbs said the last page of his presentation is the debt limits of the County. Mr. Grubbs said the law allows only 15% of the total assessed value as debt limit for any County.

County Administrator David Armstrong explained that the amount that goes to the schools and to Homestead has to be subtracted from this amount.

Mr. Grubbs said at the present time the County has available debt capacity of \$97 million more.

Mr. Armstrong said that this year assessed value changed as follows:

2003	\$1,020,878,635	
2002	<u>\$ 836,411,757</u>	
Difference	\$ 184,467,398	Or a 22% difference

Mr. Grubbs said that normally a County will lock in the interest rate on a bond. He said on the \$18 million bond they issued it as a variable rate debt rather than a fixed rate debt. Because of that, from October of 2000 to December of 2003 the County has saved \$1,600,000 in interest. He reminded the Board of Supervisors that they have given his firm an opportunity to fix that rate and save the County money.

Mr. Grubbs said the employees in the County presented a wish list of Capital Improvement Projects throughout the County. He said 125 items were on the list from employees and they went back and reduced the items on the list to 65 items.

Mr. Grubbs asked the Board of Supervisors to take the list and add anything they want to add and return it to him next week. They would then prioritize the list.

County Administrator David Armstrong requested the Board of Supervisors return the list to his office by January 30, 2004.

Supervisor Allen Latimer asked the Sheriff about a minimum security jail facility. Sheriff Riley said he knows the County will have to have an addition to the Jail soon. Mr. Armstrong said one of the judges was interested in the minimum security jail. He explained that the State was going to originally pledge money for the project, but the Legislature did not fund the project.

Mr. Grubbs said the best time to do something is while the market is good and the market is good now.

Mr. Grubbs said the County's growth is increasing because the Board of Supervisors continues to expand and improve things in the County.

Supervisor Allen Latimer said thanks to this Board and the previous Board Members we have a good credit rating. He asked if we borrow money, will it hurt the credit rating. Mr. Grubbs said no, the County would have to go extremely high in their debt limit to effect the bond rating. He said the County could easily borrow \$30 to \$40 million and not effect the bond rating.

Mr. Grubbs said that he talked to Vanessa Lynchard and Supervisor Tommy Lewis this morning about the new G.A.S.B. Rules. He said the County has done a lot of improvements inside corporate limits. He said the County can put statements in their audit to get credit for work inside the municipal limits.

See Exhibit E.5

6. Operations & Transportation – Approval to Renew Contract w/ Treesaver

This item was held over for Executive Session. No votes were made on this issue.

7. Justice Court – Approval of Cell Phone Contract to District 4 Judge

Supervisor Tommy Lewis made the motion and Supervisor Allen Latimer seconded the motion to approve getting a Cell Phone Contract for the new Justice Court Judge in District 4. The motion passed by a vote as follows:

Supervisor Jessie Medlin-----NO
Supervisor Eugene Thach-----YES
Supervisor Bill Russell-----YES
Supervisor Allen Latimer-----YES
Supervisor Tommy Lewis-----YES

8. Election Commission – Resignation of District 5 Commissioner

County Administrator David Armstrong presented a resignation letter from Ouida Schrader who was the District 5 Election Commissioner. Supervisor Tommy Lewis made the motion and Supervisor Bill Russell seconded the motion to accept the resignation of Quida Schrader as the Election Commissioner in District 5 in DeSoto County effective November 15, 2003. The motion passed by a unanimous vote.

Supervisor Bill Russell asked if an appointee has to live in the District in which they serve. Board Attorney Tony Nowak said yes. The Board of Supervisors discussed the appropriate action to take because of the resignation. Mr. Nowak said the County should appoint someone in the position pursuant to statutory procedures since the Election Commissioners elections will occur in November 2004.

Supervisor Eugene Thach made the motion and Supervisor Tommy Lewis seconded the motion to hold over the Appointment to the District 5 Election Commission until February 2, 2004. The motion passed by a unanimous vote.

See Exhibit E.8

9. Stormwater – Making DEQ’s Approval to Assume Responsibility for Construction Projects Over 5 Acres Part of the Minutes

County Administrator David Armstrong said DEQ has agreed to be responsible for developments over 5 acres for Stormwater compliance.

Supervisor Bill Russell asked what this means to the County. Assistant County Engineer Scott Young said this means the County can turn over anything greater than 5 acres to DEQ to monitor Stormwater compliance. He said nothing really changes with formulizing this agreement.

Supervisors Tommy Lewis asked what a 5 acres sight is. He asked if it is the amount of acres disturbed or the amount of acres of the complete property. Mr. Young said it is the amount of acres in the entire project.

Supervisor Allen Latimer made the motion and Supervisor Jessie Medlin seconded the motion to accept DEQ’s letter agreeing to accept responsibility for anything over 5 acres and approve making it part of the minutes. The motion passed by a unanimous vote.

See Exhibit E.9

10. Approval of Chancery Clerk Allowance

On this date, the County Administrator, David Armstrong, presented, on behalf of the

Chancery Court Clerk, W. E. Davis, an order of Allowances to the Board of Supervisors for the January 2004, term in the amount of \$2,126.66. Supervisor Tommy Lewis made the motion and Supervisor Jessie Medlin seconded the motion to approve these payments of \$1,226.66 and \$900.00, pursuant to Section 25-7-9 of the Mississippi Code of 1972, Annotated. The motion passed by a unanimous vote.

See Exhibit E.10

11. Circuit Clerk Allowance

On this date, County Administrator David Armstrong presented on behalf of the Circuit Court Clerk Dale Thompson, an Order of Allowances to the Board of Supervisors for the County Court for the December, 2003, term in the amount of \$3,255.00 for vacation days and \$9,903.50 for allowances to the Circuit Clerk. Supervisor Jessie Medlin made the motion and Supervisor Tommy Lewis seconded the motion to approve these payments of \$3,255.00 for vacation days and \$9,903.50 for allowances to the Circuit Clerk, pursuant to Sections 25-7-13, and Section 25-7-13 of the Mississippi code of 1972, Annotated. The motion passed by a unanimous vote.

See Exhibit E.11

12. Approval to Draw Up New Interlocal Agreements For EMS for Authority to Purchase Ambulances for Cities

Board Attorney Tony Nowak explained that the Interlocal Agreements that allow the County to purchase ambulances for the cities is outdated and needs to be updated and revised.

Supervisor Bill Russell asked about the Village of Memphis/Walls. Mr. Armstrong said the County currently covers the Village of Memphis/Walls.

Supervisor Jessie Medlin made the motion and Supervisor Tommy Lewis seconded the motion to approve Chamberlin Nowak Law Firm to draw up new Interlocal Agreements for EMS for authority to purchase ambulances for the cities. The motion passed by a unanimous vote.

Later in the meeting, the Board of Supervisors asked Bobby Storey about covering the Village of Memphis/Walls and asked if it is appropriate for them to receive an ambulance and handle their own EMS service. Mr. Storey said he would talk to the Village about the issue, but felt it was appropriate for the County to continue to cover them at this time.

13. Metro Narcotics - Approval to Transfer Forfeitures to Inventory

At the recommendation of the County Administrator, Supervisor Jessie Medlin made the motion and Supervisor Tommy Lewis seconded the motion to add certain Forfeitures to the Metro Narcotics Inventory described as a 1992 Chevrolet Silverado pickup truck bearing VIN#2GCEC19Z1N1187751. The motion passed by a unanimous vote.

See Exhibit E.13

14. Safety Officers Report

County Administrator David Armstrong said the Board of Supervisors started a Risk Management Program about three years ago to manage property claims. Mr. Armstrong said he is very pleased with what has happened with the Safety Officers. He said the number of claims is down and the County premiums have not increased.

Supervisor Bill Russell said he is curious about what the County does on drug testing and background checks after employment. Mr. Armstrong said the County has authority to do random drug testing as long as they don't single out or pick on any employee. Road Manger Russell Dorris said the Road Department actively checks driving records at least every other month and they do random drug testing.

Mr. Armstrong said that is not done in other County departments, but probably should be.

Supervisor Bill Russell made the motion and Supervisor Jessie Medlin seconded the motion to accept the Safety Officer's Report and approve making it part of the minutes. The motion passed by a unanimous vote.

See Exhibit E.14

15. Inventory Disposition – Sheriff's Dept.

Supervisor Jessie Medlin made the motion and Supervisor Bill Russell seconded the motion to approve the Preliminary Inventory Disposition for the DeSoto County Sheriff's Department as follows:

ASSET # DISPOSAL	SERIAL #	DESCRIPTION	REASON FOR
32032	UO1239761	Sylvania VCR	Broken
32721	CNBRG11001HP	Printer	Broken

The motion passed by a unanimous vote.

16. Authority for Chamberlain Nowak to Draw up EMS Medical Director Contract

County Administrator David Armstrong said that the County has a physician by the name of Dr. Frank Adcock who contracts with the County for the EMS people to come under his license. Mr. Armstrong said Dr. Adcock provided the service for free for many years and then found out in other Counties the positions are well paid and the County paid him \$75,000 for this service until this year. Mr. Armstrong said he notified Dr. Adcock that the County would pay no more than \$45,000 and Dr. Adcock agreed. Mr. Armstrong said until now the County has been operating on a letter with Dr. Adcock rather than a contract.

Supervisor Jessie Medlin made the motion and Supervisor Bill Russell seconded the motion to authorize the Chamberlin Nowak Law Firm to draw up a contract with Dr. Adcock for his services as EMS physician. The motion passed by a unanimous vote.

See Exhibit E.16

17. Central Maintenance – Proposed Infrastructure Change

Road Manager Russell Dorris presented a map and list for the Board's review of proposed infrastructure changes throughout the County.

Demery Grubbs said this is the right time to incorporate this list into the Capital Improvement Projects. Mr. Grubbs said the County could incorporate the two lists or they could have a CIP plan and a Road Plan as well. Mr. Grubbs said he has a copy of the list and can make sure the roads are a priority.

Supervisor Jessie Medlin said some of the roads on the list may be 10-15 years away from being constructed, but the County needs to put them in the plan.

Mr. Dorris said the estimated cost of \$74 million is for all of the road projects listed and said that does not include ROW acquisition, utility relocation or engineering. Mr. Dorris suggested coming up with a list for the County to work during the next four years.

Transportation Officer Jim McDougal said when the MPO is evaluating programs they give members a form to rate different aspects of the road. Mr. McDougal said he will give the Board of Supervisors a blank form to look at that they may want to use when evaluating priorities of roads.

Supervisor Bill Russell asked if the group is going to get together as a Board. Mr. Armstrong requested that the Board turn in their priorities to him by January 30, 2004. Mr. Dorris said he is available to meet with the Board at anytime. Supervisor Russell said he would like to have a meeting with the Board members on the issue.

Mr. Dorris suggested letting him and Jim McDougal prioritize the list and present it to the Board for a final reorganization.

See Exhibit E.17

Supervisor Tommy Lewis made the motion and Supervisor Jessie Medlin seconded the motion to recess the meeting to 1:30 p.m. The motion passed by a unanimous vote.

F. EXECUTIVE SESSION

The executive session portion of these minutes are recorded under the portion of the minutes called "Executive Session".

G. OTHER ISSUES

1. Central Maintenance – Petty Cash

Comptroller Tom Arnold explained to the Board of Supervisors that someone broke into Central Maintenance and took the petty cash that was left in the petty cash fund. Mr. Arnold requested authority to write a check for the stolen amount. He said the Central Maintenance Department has vouchers for the balance of the petty cash fund.

Mr. Arnold explained that a good majority of Central Maintenance petty cash goes to certified mail for bond correspondence and other postage needs. Mr. Arnold requested that the Board consider increasing the amount of petty cash in Central Maintenance to \$150.

After some discussion, Supervisor Tommy Lewis made the motion and Supervisor Jessie Medlin seconded the motion to raise the amount of petty cash to \$150 in Central Maintenance and authorize the Clerk to write the check. The motion passed by a unanimous

vote.

See Exhibit G.1

2. Appointment – Solid Waste Committee

Supervisor Eugene Thach made the motion and Supervisor Tommy Lewis seconded the motion to appoint Supervisor Bill Russell to serve on the Solid Waste Committee to replace Supervisor Caldwell. The motion passed by a unanimous vote.

3. Chancery Court – Evaluation of Lunacies

Supervisor Eugene Thach made the motion and Supervisor Tommy Lewis seconded the motion to authorize the Chamberlin Nowak Law Firm to seek an Attorney General's opinion on the definition of a licensed physician to evaluate lunacy cases.

4. EMS

Director of Fire and EMS, Bobby Storey addressed the Board of Supervisors regarding covering other government local entities and their covering the County. Mr. Storey reported the money from the Emergency Medical Service Operating Fund turned in today and receipted into County funds was \$26,551. Supervisor Russell asked if DeSoto County reciprocates EMS coverage. Bobby Storey said yes. The Federal Fire Grant provided the following to each Fire Department: Olive Branch \$20,070, Fairhaven \$45,648, and Nesbit \$54,754. Mr. Storey reported to the Board of Supervisors ACI received a grant in the amount of \$50,599.

Supervisor Allen Latimer asked how often the County goes to Tunica. Bobby Storey said it depends on if you mean Fire and Ambulance or just the Ambulance service. Mr. Storey stated mutual aid is given by DeSoto County, as well as received by Tunica, Tate, and Marshal Counties, as we help each other.

5. Roads – Tulane

Dee LeBlond appeared before the Board of Supervisors to find the Board's intention on the Tulane exit on Highway 304. Supervisor Tommy Lewis said the County has been talking about this road for some time. Supervisor Lewis said they talked about the south leg and the north leg of Tulane. The Board discussed their agreement with MDOT for an interchange on Tulane.

Mr. LeBlond said he is asking for the County to consider making the addition of Tulane a priority.

Supervisor Bill Russell asked how the County got MDOT to agree to an interchange when no road is there. Supervisor Lewis said the County worked it early in the planning.

Supervisor Bill Russell said Tulane will be added to the CIP plan.

6. Administration Building Plaque

Supervisor Bill Russell said in the third District two people were heavily involved in the planning of the Administration Building. Their names were left off the plaque on the front of the building and they are Supervisor Jake Pearson and Supervisor Jimmy James. Supervisor Russell said he would like those names to be added to the plaque on the building.

Supervisor Bill Russell made the motion and Supervisor Allen Latimer seconded the motion to replace the plaque on the Administration Building to add Supervisor Jake Pearson and Supervisor Jimmy James. The motion passed by a unanimous vote.

6. EMS – Purchase of Ambulance for Village of Memphis/Walls

The Board of Supervisors asked Bobby Storey, Director of Fire and EMS, when the County will reach a point to purchase an ambulance for Village of Memphis/Walls. Mr. Storey said that right now the County is working out of the Walls Fire Station. He said Horn Lake will put in an ambulance at the Walls Fire Station as soon as an agreement is worked out between the City of Horn Lake and the Walls Fire Protection District. The Board of Supervisors discussed and agreed that it is now time to do an Interlocal Agreement with the Village of Memphis/Walls.

7. DeSoto Economic Development Annual Report

Director of the DeSoto Economic Council, Jim Flanagan, presented the 2003 Annual Report for the DeSoto Economic Development Council to the Board of Supervisors with a Capital Investment of \$182 million and the creation of more than 950 new individual jobs.

Supervisor Tommy Lewis made the motion and Supervisor Jessie Medlin seconded the motion to adjourn the meeting until February 2, 2004 at 9:00 a.m. The motion passed by a unanimous vote.

THIS the 20th day of January 2004, these minutes have been read and approved by the DeSoto County Board of Supervisors.

Eugene Thach, President
DeSoto County Board of Supervisors